

PPM 602

POSTSECONDARY TRAINING COSTS

CONTENTS

Purpose

Policies and Procedures

- 602-01. Student Financial Aid and Other Comparable Services and Benefits Requirements**
- 602-02. Notifications to Consumers**
- 602-03. Applying for Student Financial Aid**
 - 1. Free Application for Federal Student Aid (FAFSA)**
 - 2. Other Required Student Financial Aid Forms**
 - 3. Submission Deadlines and Exceptions**
 - 4. Calculation of Expected Family Contribution (EFC) and Student Financial Aid Eligibility**
- 602-04. Financial Aid Communication (FAC) Form**
- 602-05. Maximum efforts**
- 602-06. Effect of Grant Refunds Due and Student Loan Default**
- 602-07. Maximum Amount of VR Assistance**
- 602-08. Supporting Services Costs Related to Training**
- 602-09. Use of Gift Aid**
- 602-10. Federal Work Study (FWS) and Student Loan Programs**
- 602-11. Prohibited Uses of VR Funds**
- 602-12. Determination of VR Assistance Amounts**
- 602-13. Special Circumstances and Resolution of Disputes**

PURPOSE

Vocational Rehabilitation (VR) has established fiscal policies and practices to assure that VR assistance for postsecondary training costs is provided consistent with federal requirements, in accordance with each consumer's vocational rehabilitation needs, and in a manner that is cost-efficient, accountable, and equitable for all VR consumers.

[AUTHORITY: Federal regulations, 34 CFR 361.1; 361.12; 361.48; 361.50(c)(1)]

POLICIES AND PROCEDURES

602-01. Student Financial Aid and Other Comparable Services and Benefits Requirements

No training or training-related services provided in any institution of higher education can be paid for with VR program funds unless maximum efforts have first been made to secure all available federal, state, and private grant aid and other comparable services and benefits for which the consumer is eligible. To the maximum extent possible, the costs of training must be met, wholly or in part, with grant aid and other comparable services and benefits and resources other than VR funding. If the consumer fails to apply for and accept any grant aid or other comparable services and benefits assistance for which they are eligible, VR cannot authorize any funds for the consumer's postsecondary training expenses.

[AUTHORITY: Federal regulations, 34 CFR 361.48(f); 361.53]

602-02. Notifications to Consumers

1. The VR Counselor must notify each consumer enrolled in postsecondary training of the requirement to apply for grant assistance and other comparable services and benefits as soon as postsecondary training is determined to be necessary to achieve the consumer's

extended evaluation (EE) plan or individualized plan for employment (IPE) outcome. The required notice must be in writing, supplemented, as applicable, by other appropriate modes of communication.

2. Thereafter, the VR Counselor is also required to notify each consumer continuing in postsecondary training of the requirement to reapply for financial aid annually, prior to January 1 of each year. The notification required may occur during regular counseling and guidance and should refer to both:

A. the applicable section of *The Road to Work* VR consumer handbook; and

B. the requirement specified in the consumer's IPE that he or she will complete and submit the required applications annually.

[AUTHORITY: Federal regulations, 34 CFR 361.5(b)(5); 361.48(f); 361.53]

602-03. Applying for Student Financial Aid

1. Free Application for Federal Student Aid (FAFSA)

Every consumer planning to begin or continue postsecondary training with VR financial assistance must complete the Free Application for Federal Student Aid (FAFSA), and must submit it to the designated federal processing agent (see also PPM chapter 620). Consumers can obtain the FAFSA from high schools or postsecondary training institutions, or at www.fafsa.ed.gov. Consumers who are continuing students will receive a renewal FAFSA form by mail, which they must complete and submit to the designated federal processing agent.

A. Beginning students must complete and submit the FAFSA within the Indiana priority filing period (after January 1, but in time to be received by the processing agent on or before March 10 of each year), or as soon as possible thereafter (see also paragraph 3 of this section).

B. Continuing students must complete and submit the FAFSA annually, within the priority filing period in all cases, without exception. Continuing students missing the priority filing period will not be eligible for VR assistance for any allowable education expenses for the ensuing academic year.

2. Other Required Student Financial Aid Forms

In addition to the FAFSA (which must be completed and submitted by all consumers), the consumer must also complete and submit any other application forms or information required by the postsecondary training institution or program attended.

3. Submission Deadlines and Exceptions

A. Each consumer requesting VR assistance for postsecondary training must complete and submit the FAFSA within the Indiana priority filing period (in time to be received by the designated processing agent after January 1, but no later than March 10 of each year) in order to capture the maximum amount of federal and state student financial aid possible. Any additional financial aid forms required must be submitted in accordance with deadlines established by the postsecondary institution or program attended, or by the awarding authority.

B. Exceptions to meeting the required deadlines can be made only if the consumer has newly applied for VR services, and is a first-time student, and:

- the submission deadlines have passed before the consumer was informed of the obligation to apply for grant and other assistance;
- the training program is on an annual cycle that begins only at certain times; or

- the consumer's application has been delayed by VR Counselor or VR program error.

C. No exceptions will be made for consumers who are continuing students.

D. The Regional Manager must approve any exception before VR provides any assistance for allowable educational expenses.

E. Consumers missing the priority filing period must still complete and submit the FAFSA and all additional financial aid forms at the earliest possible time, in order to establish the need for student financial aid.

4. Calculation of Expected Family Contribution (EFC) and Student Financial Aid Eligibility

The financial aid application process will be used by a federally contracted processing agent to calculate an [expected family contribution \(EFC\)](#) for the consumer and to make a determination of eligibility for federal student financial aid. The FAFSA is also used by the [State Student Assistance Commission of Indiana \(SSACI\)](#) to determine students' eligibility for state student financial aid assistance, and by training institutions and programs to determine eligibility for institutional assistance.

[AUTHORITY: Federal regulations, 34 CFR 361.1; 361.12; 361.13(c)(1)(iv) and (2); 361.48(f); 361.53]

602-04. Financial Aid Communication (FAC) Form

The VR Counselor must use the [Financial Aid Communication \(FAC\)](#) form to share information with the postsecondary institution's [financial aid office \(FAO\)](#). With the consumer's input, the Counselor must initiate a new form for each academic year and summer session attended and send it to the appropriate financial aid office. Once the applicable portion of the form has been completed by the financial aid office, the

VR Counselor may amend any figure provided by the FAO with documented actual costs. The counselor will calculate VR assistance based on the actual costs of allowable educational expenses. The counselor must also incorporate all completed FAC forms into the consumer's record of services.

[AUTHORITY: State agency policy per 34 CFR 361.39]

602-05. Maximum Efforts

A consumer will be deemed to have made the required maximum efforts to secure grant assistance and to have made maximum use of available comparable services and benefits if he or she:

1. has obtained, completed, and submitted all applications, other forms, and information required to obtain the maximum amount of federal, state, institutional, and other grant aid and comparable services and benefits assistance for which they qualify, and has accepted all grant and other gift aid offered;
2. has provided all forms and substantiating documentation required by the financial aid office of the training institution or program attended and appropriate comparable services and benefits providers; and
3. maintains eligibility, while in training, for continued financial aid by meeting all requirements of the U.S. [Education Department \(ED\)](#), the training institution or program attended, and VR, including, but not limited to,
 - A. meeting the enrollment, attendance, satisfactory academic progress, student conduct, and other standards established by the training institution or program attended;
 - B. remaining drug free; and

C. if applicable, resolving any refund on grant funds previously received or default status on student loans to the satisfaction of ED or the lender.

[AUTHORITY: Federal regulations, 34 CFR 361.1; 361.12; 351.13(c);(1)(iv) and (2); 361.48(f); 361.53; federal Policy Directive, RSA-PD-92-02 (Nov. 21, 1991)]

602-06. Effect of Grant Refunds Due and Student Loan Default

Consumers who owe refunds on previous grants or are in default on existing student loans are not eligible to receive further student financial aid grants, and will not be deemed to have made maximum efforts to secure financial aid grants and other assistance until they have made satisfactory arrangements to repay, defer, or discharge the debt. If applicable, the VR Counselor must document any such arrangements in the consumer's record of services prior to authorizing VR assistance.

[AUTHORITY: Federal Policy Directive, RSA-PD-92-02 (Nov. 21, 1991)]

602-07. VR Assistance Provided

1. Maximum Amount of VR Assistance

The maximum amount of VR assistance that can be provided to meet allowable educational expenses for postsecondary training is the lesser of:

A. the increased cost to the consumer due to participation in training, less the EFC and all grant assistance and other comparable services and benefits received; or

B. the amounts established by VR as maximum reasonable fees for postsecondary training.

[AUTHORITY: Federal regulations, 34 CFR 361.1; 361.12; 361.13(c)(1)(iv) and (2); 361.48(f); 361.53]

602-08. Supporting Services Costs Related to Training

The counselor can authorize VR funds for the costs of necessary supporting services separate from, and in addition to, allowable educational expenses, when required for the consumer to participate in and benefit from training (such as the costs of interpreting and other assisted communication, reading, note taking, or attendant care services). Such authorizations must be made in accordance with VR policies applicable to the particular service and approved service fee schedules.

[AUTHORITY: Federal regulations, 34 CFR 361.48(j),(k), and (n); 361.50(c)]

602-09. Use of Gift Aid

1. Gift aid (grants, scholarships, and other aid awarded with no repayment requirement) designated for use toward meeting allowable educational expenses (such as tuition waivers) must be applied to the costs of training as designated. Thereafter, the EFC and any financial aid remaining must be applied to the consumer's:

- A. mandatory fees;
- B. tuition costs;
- C. room and board (if applicable);
- D. books, tools, and other training materials;
- E. transportation (if necessary);
- F. dependent care expenses; and
- G. personal expenses.

2. Merit-based scholarships and other gift aid not designated for use toward meeting any particular allowable educational expenses can be used for any purpose, at the consumer's own discretion.

[AUTHORITY: State agency policy; federal regulations, 34 CFR 361.5(b)(10)(ii); 361.53]

602-10. Federal Work Study (FWS) and Student Loan Programs

Neither the consumer nor the consumer's family can be required to participate in any non-grant financial aid program as a condition for receiving VR assistance, including the [Federal Work Study \(FWS\)](#) and student loan programs; however, the consumer or the consumer's family may participate in such programs as a matter of informed choice, or as may be necessary for them to meet their EFC obligation.

[AUTHORITY: Federal Policy Directive, RSA-PD-92-02 (Nov. 21, 1991)]

602-11. Prohibited Uses of VR Funds

VR funds cannot be authorized:

1. to substitute for any federal, state, institutional grant, scholarship, or other comparable services and benefits gift aid for which the consumer is eligible;
2. to pay for or reimburse any portion of the EFC determined by the financial aid process to be the responsibility of the consumer or the consumer's family;
3. to pay for any increase allowable educational expenses resulting from the consumer's own informed choice to attend a private training institution or out-of-state institution, unless the specific training required is not available from a state-supported public institution in state;
4. for VR maintenance or transportation, if sufficient EFC, grant, or other comparable services and benefits exist to cover the increased costs of maintenance or transportation to the consumer;

5. to pay the costs of room and board if the consumer is a commuting student residing at home; or
6. to pay any refund or loan debt owed by the consumer or the consumer's family.

[AUTHORITY: Federal regulations, 34 CFR 361.1; 361.12; 361.13(c)(iv) and (2); 361.50; 361.53]

602-12. Determination of VR Assistance Amounts

1. VR bases its fee schedules for allowable educational expenses on the costs of training for Indiana state-supported public training institutions. The VRC Counselor determines whether a state-supported public training institution can meet the vocational rehabilitation needs of the consumer (not necessarily the institution of the consumer's informed choice). If there are multiple institutions or programs that can meet the consumer's vocational rehabilitation needs, the institution or program with the least total cost to VR establishes the institution to be attended and the maximum amount that VR will pay toward the costs of training.

2. If the consumer makes an informed choice to attend a training institution or program other than that resulting in the least cost to the VR program (including a private or out-of-state institution or program) and the consumer's choice is not necessitated by the his or her disability or particular area of study:

A. the FAFSA must be filed within the priority filing period and must identify the Indiana state-supported public training institution or program resulting in the least cost to VR as the first choice of institutions to be attended (in order to allow SSACI to compute the amount of state student financial aid for which the consumer is eligible);

B. the consumer must provide the VR Counselor with a copy of the award notice from SSACI;

C. the VR Counselor must subtract the increased costs for allowable educational expenses from the figure provided by SSACI to show how much state student financial assistance is foregone by the choice of a private or out-of-state institution or program; and

D. if the consumer chooses a private or out-of-state institution or program, VR can provide only the lesser of:

- the actual increased costs to the consumer resulting from training for the same or comparable course of study at the state-supported public training institution or program with least cost to VR; or
- the amount calculated in accordance with paragraph 2C of this section; or
- the amount established for postsecondary training allowable educational costs in VR's reasonable fee schedules.

E. The consumer or the consumer's family, as applicable, is responsible for the EFC and all additional training costs resulting from the consumer's choice of an institution or program other than the least-cost institution or program for VR, and any additional costs for supporting services incurred as a result of attending the other institution.

F. The consumer's or family's responsibility for the EFC and other costs described in this section must be documented in the consumer's IPE.

[AUTHORITY: Federal regulations, 34 CFR 361.1; 361.12; 361.13(c)(iv) and (2); 361.50; 361.53]

602-13. Special Circumstances and Resolution of Disputes

1. VR has no authority to set aside or amend any determinations made in accordance with the financial aid process described in this chapter and federal Education Department (ED) publications, and such

determinations are not subject to VR mediation and impartial due process hearing appeal provisions, including determinations of:

- A. whether the consumer qualifies as a dependent or independent student;
- B. the EFC calculated for the student and family based on the information they have supplied on the FAFSA;
- C. the amount of student financial aid grants received.

2. If there are changes in the consumer's family status or finances that could affect his or her EFC or student financial aid for allowable educational expenses (such as the addition or loss of immediate family members, becoming independent, or the gain or loss of significant income), the consumer must inform the financial aid office (FAO) of the postsecondary training institution or program attended immediately, so that the FAO can make any appropriate adjustments to the EFC and grant funds received.

[AUTHORITY: Federal Policy Directive, RSA-PD-92-02 (Nov. 21, 1991)]